

Company Registration No. 04873210 (England and Wales)

**BLU DOCKS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**



# **BLU DOCKS LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	B A J Radcliffe M Toffano
<b>Secretary</b>	Boodle Hatfield Secretarial Limited
<b>Company number</b>	04873210
<b>Registered office</b>	240 Blackfriars Road London SE1 8NW
<b>Auditor</b>	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
<b>Bankers</b>	Cazenove Capital Management 12 Moorgate London EC2R 6DA  JP Morgan International Bank Limited 25 Bank Street Canary Wharf London E14 5JP
<b>Solicitors</b>	Boodle Hatfield 240 Blackfriars Road London SE1 8NW

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# **BLU DOCKS LIMITED**

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# **BLU DOCKS LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors present their annual report and financial statements for the year ended 31 December 2016.

#### **Principal activities**

The principal activities of the company during the year were those of property investment and management and trading in financial instruments.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B A J Radcliffe  
M Toffano

#### **Results and dividends**

The directors do not recommend payment of an ordinary dividend.

#### **Auditor**

The auditor, UHY Hacker Young, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

**BLU DOCKS LIMITED**

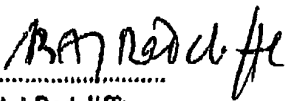
**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



.....  
B A J Radcliffe

Director

04/04/2017

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF BLU DOCKS LIMITED**

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We have audited the financial statements of Blu Docks Limited for the year ended 31 December 2016 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Directors' Report has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF BLU DOCKS LIMITED**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



**Gregory Chong (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young**

04/04/2017

**Chartered Accountants**  
**Statutory Auditor**

**BLU DOCKS LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2016**

		<b>2016</b>	<b>2015</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Turnover	<b>2</b>	142,753	(55,496)
Cost of sales		(33,148)	9,666
<b>Gross profit/(loss)</b>		<u>109,605</u>	<u>(45,830)</u>
Administrative expenses		(153,566)	(476,331)
<b>Operating loss</b>	<b>3</b>	<u>(43,961)</u>	<u>(522,161)</u>
Interest receivable and similar income		222,648	71,425
Interest payable and similar expenses		(44,862)	-
Other gains and losses		-	128,519
<b>Profit/(loss) before taxation</b>		<u>133,825</u>	<u>(322,217)</u>
Taxation		(29,522)	(555,963)
<b>Profit/(loss) for the financial year</b>		<u>104,303</u>	<u>(878,180)</u>
<b>Total comprehensive income for the year</b>		<u><u>104,303</u></u>	<u><u>(878,180)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.



**BLU DOCKS LIMITED****BALANCE SHEET****AS AT 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	5	61,196		-	
Investment properties	6	4,707,348		-	
		<u>4,768,544</u>			
<b>Current assets</b>					
Debtors	8	56,968		454,932	
Financial assets	9	11,314,921		7,008,303	
Cash at bank and in hand		342,923		5,450,330	
		<u>11,714,812</u>		<u>12,913,565</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(4,352,525)</u>		<u>(887,037)</u>	
<b>Net current assets</b>		<u>7,362,287</u>		<u>12,026,528</u>	
<b>Total assets less current liabilities</b>		<u>12,130,831</u>		<u>12,026,528</u>	
<b>Capital and reserves</b>					
Called up share capital	11	2,985,945		2,985,945	
Profit and loss reserves		9,144,886		9,040,583	
<b>Total equity</b>		<u>12,130,831</u>		<u>12,026,528</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 24/04/2017 and are signed on its behalf by:



B A J Radcliffe  
Director

Company Registration No. 04873210

# **BLU DOCKS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

#### **Company information**

Blu Docks Limited is a private company limited by shares incorporated in England and Wales. The registered office is 240 Blackfriars Road, London, SE1 8NW.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown inclusive of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

The results of financial instrument trading represent the net of realised and unrealised gains and losses arising from trading in financial securities on recognised exchanges and forward forex contracts, and are accounted for on a trade date basis.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# **BLU DOCKS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **1 Accounting policies**

**(Continued)**

##### **1.4 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

##### **1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

##### **1.6 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **1.7 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# BLU DOCKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

(Continued)

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Other financial assets*

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# BLU DOCKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

(Continued)

##### 1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

##### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

###### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### *Deferred tax*

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

Deferred tax is measured at the average rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities are not discounted.

No provision is made for deferred tax on gains recognised on revaluing property to its market value unless the company has a binding contract, at the balance sheet date, to sell the revalued assets.

##### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**BLU DOCKS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016****1 Accounting policies****(Continued)****1.12 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

**1.13 Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**2 Turnover**

The company's turnover is derived from its principal activities as follows:

	2016	2015
	£	£
Rents receivable	32,907	-
Financial instrument trading	109,846	(55,496)
	<u>142,753</u>	<u>(55,496)</u>

**3 Operating loss**

	2016	2015
	£	£
Operating loss for the year is stated after charging/(crediting):		
Fees payable to the company's auditors for the audit of the company's financial statements	<u>13,100</u>	<u>13,660</u>

**4 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 1 (2015 - 1).

	2016	2015
	Number	Number
Total	<u>1</u>	<u>1</u>

**BLU DOCKS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016****5 Tangible fixed assets**

	<b>Fixtures &amp; fittings £</b>
<b>Cost</b>	
At 1 January 2016	-
Additions	77,300
	<hr/>
At 31 December 2016	77,300
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2016	-
Depreciation charged in the year	16,104
	<hr/>
At 31 December 2016	16,104
	<hr/>
<b>Carrying amount</b>	
At 31 December 2016	61,196
	<hr/> <hr/>
At 31 December 2015	-
	<hr/> <hr/>

**6 Investment properties**

	<b>2016 £</b>
<b>Fair value</b>	
At 1 January 2016	-
Additions	4,707,348
	<hr/>
At 31 December 2016	4,707,348
	<hr/> <hr/>

Investment properties comprise four flats in Kensington. The fair values of the investment properties have been arrived at on the basis of valuations carried out by the directors at the year-end.

**7 Financial instruments**

	<b>2016 £</b>	<b>2015 £</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	351,998	5,905,263
Instruments measured at fair value through profit or loss	11,314,921	7,008,303
	<hr/>	<hr/>
	11,666,919	12,913,566
	<hr/> <hr/>	<hr/> <hr/>

**BLU DOCKS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016****7 Financial instruments**

	2016 £	2015 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	351,998	5,905,263
Instruments measured at fair value through profit or loss	11,314,921	7,008,303
	<u>11,666,919</u>	<u>12,913,566</u>
<b>Carrying amount of financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>4,352,525</u>	<u>30,211</u>

Financial assets are marked to market at their fair values at the balance sheet date. The fair values of these securities are based on quoted prices in an active market. There are no financial liabilities which are stated at fair value.

**8 Debtors**

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	10,734	-
Other debtors	46,234	454,932
	<u>56,968</u>	<u>454,932</u>

**9 Financial assets**

	2016 £	2015 £
Held for trading	<u>11,314,921</u>	<u>7,008,303</u>

**10 Creditors: amounts falling due within one year**

	2016 £	2015 £
Bank loans and overdrafts	4,273,862	-
Corporation tax	-	805,963
Other creditors	78,663	81,074
	<u>4,352,525</u>	<u>887,037</u>



**BLU DOCKS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016****11 Called up share capital**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Authorised</b>		
4,600,000 Ordinary Shares of £1 each	4,600,000	4,600,000
	<u>          </u>	<u>          </u>
<b>Issued and fully paid</b>		
2,985,945 Ordinary Shares of £1 each	2,985,945	2,985,945
	<u>          </u>	<u>          </u>

**12 Related party transactions****Remuneration of key management personnel**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	12,537	12,123
	<u>          </u>	<u>          </u>

**13 Comparative figures**

Certain comparative figures in the Profit and Loss Account for the previous year have been restated to conform to current year's presentation which shows gross rents receivable and results of trading in financial instruments as components of turnover and property expenses as cost of sales. The financial performance for the previous year is not affected by the reclassifications.